However, institutions are operating an export incentive scheme allowing rebate of 1/5th of interest payments (subject to a floor rate of 10 per cent) on rupee loans contracted on or after 1-12-1986 by industrial concerns whose exports sales on F.O.B. value of own manufactured goods reach or exceed 25 per cent of their total net sale in the year.

Launching of Exchange Risk Protection Scheme

2399. SHRI KAMAL MORARKA: Will the Minister of FINANCE be pleased to state:

(a) whether the Exchange Risk Protection scheme for corporate borrowers taking foreign exchange loans, which was to be launched during July, 1988 has been delayed;

(b) if so, what are the reasons therefor; and

(c) by when the scheme is likely to be launched?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) Various aspects of the scheme are still under consideration and the scheme would be launched as soon as these are finalised.

Opening of current accounts by Maharashtra Gram Panchayats

2400. SHRI PRAMOD MAHAJAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Reserve Bank of India has sent an order asking Gram Panchayats in Maharashtra to change their Savings Bank Accounts into current accounts; and

(b) if so, what are the reasons behind this order?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The information is being collected and to the extent available will be laid on the Table of the House.

Clearance of Haldia Petrochemical Project

2401. SHRI CHITTA BASU:
SHRI SUNIL BASU RAY:
SHRI RAMNARAYAN GOSWAMI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that special Committee of the Finance Ministry has raised some objections against the clearance of the Haldia Petrochemical Project in West Bengal;

(b) if so, what are the specific objections;

(c) what is the reaction of West Bengal Government to these obejctions; and

(d) what decision the Central Government have taken in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). No Special Committee as such has been set up in the Ministry of Finance for clearance of the Haldia Petrochemical Project. In view of the large size of the project, the Industrial Development Bank of India (IDBI) have however, constituted an expert committee. Considering the complexity and enormousness of the Project, the institutions need to examine fully the various aspects in appropriate detail. The IDBI have indicated that the size of the ethylene plant proposed is below the minimum economic size and that there is a gap in the total finances planned. The revised projections are awaited from the company. Government of West Bengal is informed of these developments.